

1. (CURRENTLY AMENDED) A computer system for use over electrical power supply lines, the computer system comprising:

a server operating an applications program generating video display output data, compressing the video display output data to generate compressed video data , and transmitting the compressed video data over a power bus;

a power bus connected to said server for receiving the compressed video data;

and at least one terminal coupled to said power bus, receiving the compressed video data, decompressing the video data to produce the video display output data for the applications program, and generating a video display from the video display output data on a local monitor,

said at least one terminal further including an input device for receiving input signals from a user for controlling the applications program on the server system and for compressing the input signals as compressed input data and transmitting the compressed input data over the power bus,

wherein the power bus receives the compressed input data and transmits said compressed input data to said server, said server decompressing said input data and controlling the applications program in response to the input signals.

2. (CURRENTLY AMENDED) The computer system according to claim 1, wherein said server comprises:

a coder for generating the compressed video data as video change data; and

a first modem, for generating a first channel of compressed video data on the power bus.

3. (CURRENTLY AMENDED) The computer system according to claim 2, wherein said at least one terminal further comprises:

a second modem, for receiving the first channel of compressed video data from the power bus,
and

a decoder for generating video data from the video change data received from the first channel of compressed video data.

4. (CURRENTLY AMENDED) The computer system according to claim 3, wherein said at least one terminal further comprises:

a coder for generating the compressed input data from the user input signals;

wherein said second modem in the at least one terminal generates a second channel of compressed input data on the power bus.

5. (CURRENTLY AMENDED) The computer system according to claim 4, wherein said first modem in said server receives the second channel of compressed input data from the power bus, and wherein said server further comprises a decoder for generating input signals from the compressed input data from the second channel of compressed input data.

6. (CURRENTLY AMENDED) The computer system of claim 5, wherein said first channel is substantially larger in bandwidth than said second channel.

7. (CURRENTLY AMENDED) The computer system of claim 6, wherein said second channel comprises a keyboard compressed data channel and a mouse compressed data channel, and wherein said user input signals comprise mouse and keyboard inputs.

8. (CURRENTLY AMENDED) A client terminal for use with a server coupled over electrical power supply lines, the server operating an application program generating application program output data, compressing the application program output data to generate compressed applications data , and transmitting the compressed applications data over a power bus connected to said server for receiving the compressed applications data, said client terminal comprising:

at least one terminal coupled to said power bus for receiving compressed application data, decompressing the application data and generating an output at the at least one terminal from the application data,

said at least one terminal further including an input device for receiving input signals from a user for controlling the application program on the server, compressing the input signals as compressed input data and transmitting the compressed input data over the power bus,

wherein the power bus receives the compressed input data and transmits said compressed input data to said server, said server decompressing said input data and generating compressed application data in response to the input signals.

9. (CURRENTLY AMENDED) The client terminal according to claim 8, wherein the server includes a coder for generating the compressed application data and a first modem, for generating a first channel of compressed application data on the power bus, the client terminal further comprising:

a second modem, for receiving the first channel of compressed application data from the power bus, and a decoder for generating application data from the compressed application data received from the first channel of compressed applications data.

10. (ORIGINAL) The client terminal according to claim 9, wherein said at least one terminal further comprises:

a coder for generating the compressed input data from the user input signals, wherein said second modem generates a second channel of compressed input data on the power bus, and wherein the first modem in the server receives the second channel of compressed input data from the power bus, the server further including a decoder for generating input signals from the compressed input data from the second channel of compressed input data.

11. (ORIGINAL) The client terminal of claim 10, wherein said first channel is substantially larger in bandwidth than said second channel.

12. (ORIGINAL) The client terminal of claim 11, wherein said second channel comprises a keyboard compressed data channel and a mouse compressed data channel, and wherein said user input signals comprise mouse and keyboard inputs.

13. (CURRENTLY AMENDED) A server for use with at least one terminal coupled over electrical power supply lines, the electrical power supply lines connected to the server for receiving and transmitting data, the at least one terminal coupled to the electrical power supply lines for receiving compressed application data from the electrical power supply lines, decompressing the application data and generating an output at the terminal from the application data, the at least one terminal further including an input device for receiving input signals from a user and for compressing the input signals as compressed input data and transmitting the compressed input data over the electrical power supply lines, said server comprising:

a server operating an application program generating application program output data, compressing the application program output data to generate compressed application data, and transmitting the compressed application data over the electrical power supply lines;

wherein the electrical power supply lines receive the compressed input data and transmits said compressed input data to said server, said server system decompressing said input data and generating compressed application data in response to the input signals.

14. (CURRENTLY AMENDED) The server according to claim 13, wherein said server further comprises:

a coder for generating the compressed application data as compressed application data; and
a first modem, for generating a first channel of compressed application data on the power bus,
wherein the at least one terminal further comprises a second modem, for receiving the first
channel of compressed application data from the power bus, and a decoder for generating application
data from the application change data received from the first channel of compressed application data.

15. (ORIGINAL) The server according to claim 14, wherein the at least one terminal further
comprises a coder for generating the compressed input data from the user input signals, and the second
modem generates a second channel of compressed input data on the power bus, and the first modem
receives the second channel of compressed input data from the power bus, said server further
comprising:

a decoder for generating input signals from the compressed input data from the second channel of
compressed input data.

16. (ORIGINAL) The server of claim 15, wherein said first channel is substantially larger in bandwidth than said second channel.

17. (ORIGINAL) The server of claim 16, wherein said second channel comprises a keyboard compressed data channel and a mouse compressed data channel, and wherein said user input signals comprise mouse and keyboard inputs.

18. (NEW) An appliance for receiving data from a server and outputting a signal derived from the data, the appliance comprising:

a housing containing a receiver for receiving the data and an output device for deriving the signal from the data and outputting the signal; and

a power cord, coupled to the housing, for plugging into a standard power outlet, for receiving power and the data over the power cord, from the server.

19. (NEW) The appliance of claim 18 wherein the standard power outlet provides alternating current (AC) power to the appliance over the power cord.

20. (NEW) The appliance of claim 18, wherein the server comprises a household server located within a residence.

21. (NEW) The appliance of claim 18, further comprising an audio appliance, the data comprises digitized music, and the signal derived from the data comprises an analog audio output signal.

22. (NEW) The appliance of claim 18 wherein the server has a power cord for plugging into a standard power outlet, for receiving power and receiving and transmitting data over the power cord, to and from the server.

23. (NEW) The appliance of claim 20, wherein the server transmits data over to the power outlet such that when the appliance power cord is plugged into the standard power outlet, the appliance automatically communicates with the server and exchanges data with the server.

24. (NEW) An appliance for communicating with a server, the appliance comprising:
a housing containing a transceiver for receiving data from and transmitting data to, a server; and
a power cord, coupled to the housing, for plugging into a standard power outlet, for receiving power and receiving and transmitting data over the power cord, to and from the server.

25. (NEW) The appliance of claim 24, wherein the standard power outlet provides alternating current (AC) power to the appliance over the power cord.

26. (NEW) The appliance of claim 24, wherein the server comprises a household server located within a residence.

27. (NEW) The appliance of claim 24, wherein the data transmitted to the appliance comprises signals for controlling the appliance and the data transmitted from the appliance comprises signals indicating the operating status of the appliance.

28. (NEW) The appliance of claim 24, wherein the server has a power cord for plugging into a standard power outlet, for receiving power and receiving and transmitting data over the power cord, to and from the server.

29. (NEW) The appliance of claim 26, wherein the server transmits data over to the power outlet such that when the appliance power cord is plugged into the standard power outlet, the appliance automatically communicates with the server and exchanges data with the server.